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Attorney for Plaintiffs

IN THE UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF ALASKA AT FAIRBANKS

JOHN GRIMES and DONNA J. GRIMES, and others similarly situated, Plaintiffs, vs. **FAMILY CENTERED SERVICES OF ALASKA, INC.** and **DOES I to X,** (Managerial Employees Jointly Liable) Defendants.	Case No. 4:07-cv-00030-RRB

DECLARATION BY JOHN GRIMES

I, JOHN GRIMES, declare and state that:

1) I am an adult resident of the State of Alaska, fully competent to testify and I testify about the following facts upon my personal knowledge.

2) I was employed as a "houseparent" by Defendant Family Centered Services of Alaska, Inc. (hereafter FCSA).

3) FCSA received as much AS 66 % of its income from this service, *to wit*, Medicaid payments. The 2005 Annual Report demonstrates this on page 15 where it states that 66% of the revenues came from Medicaid (exh. 1) We filled out the med / billing notes from which the billing to Medicaid was derived. There was a Quality Assurance program to be certain our med notes would qualify for Medicaid reimbursement. It was strongly emphasized that we needed to bill in accordance with Medicaid requirements so that the FCSA could get paid. We also were continuously reminded that certain actions were covered by Medicaid and certain other actions were not. We were expected to differentiate these actions in the notes and instructed to maximize the billing to Medicaid whenever possible.

4) In order for the child to receive his or her medications, he or she, needed a Medicaid sticker. Almost all clients had Medicaid stickers. We also knew which child had personal insurance because the procedure for picking up medications differed. When picking up medications we could tell if it was Medicaid paid. Almost all of the children were on medications of some type as part of their treatment.

5) The individual residents were either referred by a psychiatrist, psychologist, or physician or seen for evaluation by one of these classes of people, shortly after their arrival. Most of the clients assigned to our home had, in the past, spent time in North Star Behavioral Center in Anchorage. This is lockdown psychiatric hospital where all the patients are being treated by a full battery of psychotherapists, including psychiatrists and psychologists. I could tell this because

these provider's notes were included in the medical record that I was expected to familiarize myself with as part of my job caring for the children in the home. Our battery of psychological professionals, including clinicians who might or might not be psychologists, a psychologist, a psychiatrist and a medical doctor would examine and test the new entry shortly after arrival and jointly reach a conclusion about the care and procedures to apply to benefit the patient's medical and physiological conditions, *to wit,* mental illnesses or emotional disturbances, however you want to say it.

6) FCSA's lawyers keep saying that a "Clinician" saw these kids and evaluated them, and not a psychiatrist, psychologist or physician. This statement cannot be true because my wife and I were in a quarterly meeting with a client and our coordinator, Amberlee Dawson, with Ligia Novcaski, FCSA's clinician, present in the room, introduced George Kershner to the participants on the phone as the FCSA psychologist and his expertise was needed in this evaluation. We believed that statement to be so because it came as part of the treatment of an individual patient. What qualifications does the "clinician" have? Typically a clinician was a psychologist or a Master's Level Licensed Clinical Social Worker. The team relied heavily on the transferred medical records and psychological history as provided by the institution where the child was placed before being accepted at FCSA. I know this because I was expected to and did read these medical and psychological records. The treatment team is composed of the coordinator, guardian *ad litem*, at least one biological parent if available, house

parents, the clinician (psychologist or Licensed Clinical Social Worker), psychiatrist and a psychologist who would provide information to the treatment team. Consequently, the former treating psychologist and/or psychiatrist at the former treating institution was the usual route of referral and evaluation. In the event that the referral was not from a psychiatric institution our treatment team reviewed all available medical and psychiatric material available. That team included a psychiatrist and a outside psychologist to advise the team. I know these things because I was part of the team and expected to be intimately familiar with the history of the client as reflected in the materials gathered or created on site.

7) Some of the residents were Alaska children transferred from non-Alaskan institutions. Our first client assigned to the pre-teen home was from an institution in the State of Montana. Our second client came to us from a placement in Florida.

8) The persons were all mentally ill. Many, or most of these children were referred from an inpatient psychiatric hospital and have been assigned an AXIS I clinical condition. Most had multiple diagnoses. The children have been classified as severely affected by the diagnosed mental disorder and their functioning was severely impacted. I know this because I observed the client's actions and read in the medical records of the patients as part of my duties and I personally observed that the children exhibited severe psychological dysfunction while assigned to the home which was the reason they were placed with us. We were the alternative to in-patient psychiatric hospitalization for the child.

9) The primary reason FCSA exists is to care for SED children. One need only examine Family Center Services of Alaska Therapeutic Family Home Program Description (6 pages)(Exh. 3) to see that SED children were the focus of FCSA. All of our clients were SED. We were trained specifically to deal with SED children. In our interview with Sue Dale and Lonnie Hovde, we were told all of our clients would be SED (Grimes questionaire, exibit 2). I have read the 2005 Annual Report where on page 9 it says that the Therapeutic Family Homes exist to provide care to children experiencing mental health and behavioral issues and are at imminent risk of psychiatric placement elsewhere. (2005 Annual Report at 9, Exhibit 1.

10) According to FCSA's vision for the TFH's, they were designed to operate as a "family" home in a "normal" neighborhood (TFH program description page 1, middle paragraph)(Exhibit 2). As such, it took both myself and wife working full time to make the home operate and function as such. We were both 24/7 because to give anything less, the home would not function correctly. Many times I would be called during the day to come pick up a client from school because of a "blow out" and my wife would have to go with me to assist because these clients could not be left alone at anytime even though her "4- hours" per day was scheduled for the evening. We were awakened many times during the night because of clients' needs and we would sit with them until they went back to sleep. This is what "parents" do. For the company to have a mission for the "therapeutic family home" to

operate as a home and only allow one full time parent and one part time parent is unrealistic. These particular clients, because of their diagnosis, basically needed to be cared for 24/7. It took both my wife and I to be 24/7 to do this effectively as "parents".

11) Despite our being almost constantly on duty we were told we would not be paid overtime and not to bother putting down more hours. We did turn in time sheets that exceeded 40 hours per week, (Exh. H) but, just as we did not receive the respite time we were promised, this was ignored.

Declaration

I declare under penalty of perjury, under the laws of the United States of America, that the foregoing is true and correct.

Executed on July **16**, 2008.

John Grimes

ANNUAL REPORT 2005

Family Centered Services of Alaska

Family Centered Services of Alaska
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Our Mission is to Serve Alaska by Providing Family and Child Centered Services with Unconditional Care

FCSA Board of Directors

Pictured left to right: Deborah L. Coxon, President; Andre' Layral, Vice President; Charlie Sparks, Treasurer; Cathy Albright, Secretary; Cory Borgeson, Member.

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The 2005 Annual Report was authored, compiled, and edited by John W. Regitano, Amelia Ruerup, Eric Higginbotham, Suszan Dale, Kathy Cannone and Cindy M. Massingill.

Letter from the Executive Director and Board President

Dear Readers:

We are proud to report that during Fiscal Year 2005 Family Centered Services of Alaska (FCSA) continued to meet and exceed client service expectations, by providing unparalleled services to Alaskan children and their families. After sixteen years of operation, FCSA continues to be a healthy, fiscally sound, and well-managed organization committed to providing care to children and families residing not only in Interior and Northern Alaska but for the entire state. During the year, FCSA continued to operate a variety of well-established programs and significantly expand new programs and services to meet our client's needs.

Within our area of expertise, FCSA continued to be an innovator in the development of new ways to address some of the many unmet needs of mental health consumers in Alaska in a cost effective quality manner. To help achieve the changes FCSA took a leadership role in working collaboratively with local, state and community agencies, to develop a network of services beyond our agency and help prevent the duplication of services. This current year FCSA took the initiative to expand the number of residential beds available for children to help prevent them from leaving Alaska to receive service and because of those efforts we were able to double the number of beds available for children in the community of Fairbanks. This year again we were able to add qualified professional staff members dedicated to the delivery of individualized services to severely emotionally disturbed children. These staff assist the children in developing functional social and life skills resulting in a much higher likelihood of maintaining healthy relationships and living meaningful independent lives.

FCSA is proud of our history of delivering individualized services that take into account the client as a whole person and well-being of the family. The unmet service needs of those children and families we provide service to continue to remain paramount in all managerial decisions. We are pleased and excited with our achievements during Fiscal Year 2005 and look forward to providing Alaskans with quality services for many years to come.

Sincerely,

John W. Regitano
Executive Director

Deborah L. Coxon
Board President

FCSA History:

Family Centered Services of Alaska (FCSA) embraces a rich history, proudly promoting mental health in Alaska for over sixteen years. FCSA is a non-profit, 501(c)(3) corporation, founded July 1, 1989, for the purpose of expanding the availability of specialized mental health services for Alaskan Children and their families. FCSA has historically provided these unique services in a concerted effort to address each child's mental health needs while keeping the child as close to their family, community and region as possible and in the least restrictive setting. The original founders of the organization were community members with a diverse range of professional and personal backgrounds, committed to helping children with a wide spectrum of mental health disabilities. Over the years, FCSA has progressively carried out the vision of its founding members.

Since its inception, FCSA has grown significantly in size and service delivery. In 1989, the organization had approximately 18 staff and an annual operating budget of $300,000. Today, FCSA has a staff of approximately 100 and an annual operating budget of $6 million, providing quality services out of nine (9) locations in the Fairbanks area and one in the community of Delta Junction. FCSA has become recognized as a forerunner in the delivery of individualized mental health services, utilizing a wrap-around service approach, taking into consideration each client and family's strengths, history, culture, needs and service modality preferences.

Two out of the ten programs currently in operation are recent developments, including Therapeutic Family Homes (TFH) (January 2004) and Youth Education Support Services (YESS) Elementary (November 2004). The YESS Secondary High School is the longest running program of FCSA, in operation since 1989. The Residential Diagnostic Treatment (RDT) started operation in 2001; Alternatives to Out of State Placement (ATOP) began operation in 1991; foster care licensing in 1993. As the needs of Alaskan children and their families requiring mental health and dual diagnoses services have changed overtime FCSA has continually changed over the years to meet those needs.

The key to FCSA's successful growth has been its commitment to providing quality mental health services to Alaska's children and youth; desire to address unmet needs, and a staff dedicated to serving clients with unconditional care.

Management:

FCSA's management team provides a solid foundation for the full spectrum of services provided by our organization. Each managerial department works independently and collaboratively to ensure that every program is best equipped to address the needs unique to the services they provide. FCSA management is hands-on, involved in the daily operations of providing cutting edge services to Alaskan youth and their families. The management of FCSA is pleased to highlight its experienced, dedicated and committed managerial team who continually strive to ensure that all services provided to our clients are seamless and superior in nature.

Executive:

FCSA's Executive Director serves as a direct link to the Board of Directors and liaison to the agency's Consumer Parent Advisory Committee. The Executive Director is responsible for removing barriers to service delivery, developing and maintaining working relationships with state, federal and local agencies, funding procurement and ensuring program goals and objectives are achieved and sustained.

Fiscal:

FCSA's Fiscal Department has been characterized as a cornerstone of the organizations success over the years, providing consistently sound fiscal management. The Fiscal department is operated under the direction of a Certified Public Accountant who ensures that all funding is efficiently and effectively expended. The Board of Directors oversees an independent audit report, conducted annually on all fiscal operations.

Human Resources:

The Human Resources Department ensures all employment policies and practices are fair and equitable and in compliance with regulatory agencies. The Human Resources Department also oversees FCSA's employee health plan, ensures staff training interests and needs are provided for, disseminates employee information and collects affirmative action data.

Quality Assurance:

The Quality Assurance Department is responsible for conducting internal reviews and management of all client files for each of FCSA's programs to ensure they comply with all CARF, state licensing and Medicaid regulations; administering biannual consumer, community and staff satisfaction surveys, and overseeing all program forms for consistency, uniformity and regulatory purposes.

Clinical Services:

FCSA maintains, within the management structure of the organization, a clinical department that is overseen by the Director of Clinical Services. The function of the department is to assure that all treatment services are delivered in a quality manner and in accordance with nationally recognized best practices of the mental health treatment profession. Another key function of the department is to assure that all clinical staff receive regular and consistent training and/or professional enhancement opportunities. This helps assure the professional growth of the staff, consistency in treatment across all programs, and that sufficient support is provided to younger staff just entering the profession.

Training Department:

FCSA's Training Department is dedicated to providing quality, relevant and up-to-date training for all FCSA staff, including new-hire orientation, CPR/First Aid, Managing Aggressive Behavior (MAB), cultural competency as well as a vast array of topic areas applicable to employees and families working with SED children and youth.

Administrative Services:

FCSA's Administrative Services staff provide administrative support in a variety of levels throughout the agency, including facility management, health and safety, procurement of supplies and services, contract negotiation, general staff support functions, and providing support to the Board of Directors.

FCSA Programs and Services

Behavioral Health Services:

In Fiscal Year 2005, FCSA operated a variety of individualized service programs; each innovatively designed to serve unique populations of Alaskan children and youth diagnosed as severely emotionally disturbed. Ages of participants depends largely on the program; however clients are typically between the ages of eight and eighteen. All programs are progressively implemented to keep Alaskan children, at risk of out-of-state placement, in Alaska by providing them with individualized prevention and intervention services. FCSA offers full spectrum service delivery, including out-patient, residential, educational, foster care, respite and clinical programs.

FCSA recognizes the importance of family and natural support systems in order to maintain skills developed while under the care of FCSA and as such utilizes a wrap-around service approach. FCSA works collaboratively with state and local agencies, schools, and community